THE PANIC IN CALIFORNIA.

A DAY OF DISASTER AND EXCITEMENT. SUICIDE OF PRESIDENT RAISTON, AND TWO MORE SUSPENSIONS.

SWO THREATENED BANKS PREVENT A RUN BY CLOSING THEIR DOORS - PRESIDENT RAISTON SWIMS FROM A BATHING HOUSE AND DROWNS-GOVERNMENT GOLD HELPS THROUGH THE CRISIS.

The excitement in San Francisco yesterday was sugmented by the suspension of the National Gold Bank and Trust Company and the Merchants' Bank. These banks, owing to a lack of coin, though perfectly solvent, resolved to close their doors for the present, promising an early resumption. There was a slight run on two other banks. The panie subsided, however, the banks being able to meet all demands. Over \$1,000,000 of Government gold was transferred to the banks by telegraph, from the Assistant Treasury in San Francisco, based upon deposits in New-York City, Late in the day President Ralston of the Bank of California deliberately committed suicide. There was no business failure during the day, but a squeeze is expected Monday, when merchants settle their balances. The effect in other cities was slight. In this city gold advanced three-quarters of a cent, and business interests will be affected only so far as the advance of gold will influence them. The failure of the Pank of California occasions no surprise here. Its paper has long been selling at a heavy discount, owing to wild speculations in which it has

THE DAY IN SAN FRANCISCO.

THE NATIONAL GOLD BANK AND TRUST COMPANY AND MERCHANTS' BANK SUSPEND-THE OTHER BANKS HOLD THEIR OWN-THE PALACE HOTEL NOT AFFECTED-PROSPECTS OF A SQUEEZE MON-

SAN FRANCISCO, Aug. 27 .- Last night at midnight a meeting of the officers of the National Gold Bank and Trust Company issued the following notice to | ci the public, and it appeared this morning in the morn-

In consequence of the panic and the impossibility of obtaining coin the National Gold Bank and Trust Company will close until further notice. The Bank has \$1,300,000 over and above all its liabilities. As soon as coin can be obtained it will resume business as usual. In the meantime any creditor so desiring can have good assets of the Bank to the amount of his claim. By order of the Board of Trustees. HENRY L. DAVIS, President.

The Merchants' Exchange Bank also closed its doors this morning. The directors issued the follow-

In consequence of the excitement, and disappoint In consequence of the excitement, and disappointment of getting coin, the directors deem it for the best interests of all concerned not to epen our doors for the present. The secretary states that the bank has \$100,000 in coin on hand. The amount hable on depent is \$800,000, but against that there may be over \$400,000 in notes. The bank is perfectly solvent. The only trouble is the lack of coin.

THE OTHER BANKS GO THROUGH THE DAY SPLENDIDLY.

There was great excitement on the Street during the morning, but it now appears to be subsiding. This morning, crowds of people surrounded the closed banks and the savings banks, and there was comething of a run on the London and San Francisco Bank. It ceased, however, with a large surplus remaining in its vaults. There was also a slight run on the Auglo-California Bank at its opening this morning. The First National Gold Bank reports everything secure, and the same may be said of the Bank of British Columbia, the Pacific, and Commercial Banks. Private banks report no excitement, and everything going on as usual. Generally speaking, all of the city banks are considered sound, except morning said nothing in addition to his statements of yesterday. Many rumors are current regarding the condition of the Bank of California. One statement, apparently from good authority, that the most the bank can do will be to satisfy the demands of depositors, and it will scarcely be able to do that. There has been a slight rush at the Hibernia Bank and Savings Bank, but demands were promptly met, within the rules as expressed in the by-laws of the institution. Little uneasiness is felt as to the affairs of either of the National Gold Bank and Trust Company, or the Merchants' Exchange Bank. They have an abundance of available ass ts, and are only waiting the reception of coin. The President this morning states that they paid out about a million dollars vesterday, and that they have still a small supply left. The Merchants' Exchange Bank is believed to be sound, and its suspension only temporary. The Savings banks transacted a usual business to-day, deposits in some being larger than dis bursements. There is no excitement on that line. EFFECT UPON VARIOUS INTERESTS IN SAN FRANCISCO

It is stated on presumably good authority that some half dozen heavy stock brokers are likely to go down. No names are given. No commercial failures have yet been reported, though a squeeze is expected

The City Tax Collector has \$275,000 of protested tax moneys on deposit in the Bank of California, for which he has certificates of special deposits. The directors assured the Collector this morning that the money would be paid in a day or two.

A rumor not yet confirmed says President Ralston has turned over his private means to the bank.

Warren Leland announces that the suspension of the Bank of California does not in any way affect the Palace Hotel, his interest in which President Ralston sold some months ago to Senator Sharon. The great caravansary will open at the appointed

The Chamber of Commerce held a meeting this afternoon, and decided that it would probably be more injurious than beneficial to take any action looking toward postponement of ordinary accounts er notes maturing next collection day. The meeting was very largely attended.

SUICIDE OF PRESIDENT RALSTON. HE DRIVES TO THE NORTH PART OF THE CITY AND

San Francisco, Aug. 27.-About 5:10 o'clock this afternoon a close carriage drove rapidly to the side door of the Bank of California. A gentleman jumped from the carriage in a state of excitement and ran | for into the bank. In response to inquiries the driver of the carriage said he had just left the drowned body of the President of the bank, Mr. Ralston, in charge

of an officer on the beach, near the smelting works

in the north part of the city. Mr. Ralston rode to Selby's smelting works wharf, and deliberately

LATER.-The great excitement over the death of Mr. Ralston overshadows every other topic. From the best information it appears that he went to a sea-bathing establishment at the North beach; at about 3:25 p. m. undressed, went into the water, swam about 200 yards and disappeared behind a vessel. Soon after his body was discovered floating by the Selby Lead Works, and was brought ashore still alive, but all efforts to resuscitate him failed, and he died at 4:15 p. m. Col. Fry, his father-11-law, Mayor Otis, and a number of prominent citizens arrived be fore he expired. Col. Fry and Capt. Lees went to the bathing house, and obtained Mr. Ralston's clothes, in which were found a few dollars and his statement to the bank; but nothing having any ten-

dency to show that he committed suicide. His body was conveyed to No. 1.812 Jackson-st.

SKETCH OF WM. C. RALSTON. The news of the suicide of Wm. C. Ralston was received at the up-town hotels about 11 o'clock and caused much comment and surprise. Especially was this the case with the Californians stopping in this city. At the St. James there was an unusual number of men from Sau Francisco, many of whom knew Mr. Ralstor personally. They almost without an exception discredit

William C. Ralston was born in Pennsylvania, and at the time of his death was 45 years of age. He was a shoemaker in early life, but soon went to California-where he became interested in speculations, and also held a clerkship in a bank. Subsequently he went to Panama as the agent of Garrison's Steamship Line. About 1852 he returned to San Francisco and established a banking house with others, under the name of Garri, son, Fritz & Ralston. This firm was afterward dissolved, and he became a partner in the firm of Donahue, Kelley &

About 1864 he organized the Bank of California, with O. Mills as President and himself as cashier. Mr Mills was already connected with a bank in Sacra mento, and his time was largely taken up there-Mr. Ralston became the head of the Bank of Calfornia, though nominally its cashier. All even when Mr. Mills was present, business men always went to Mr. Raiston for consultation. About two years ago, Mr. Mills resigned the Presidency, and Mr. Ralston became the real as well as nominal head of the bank. It was through his business abilities, almost entirely, that the bank attained its great influence and became so potent in all commercial, finannai, and even political affairs. In 1867 the Bank reached the zenith of its induence, and was then the most power-

Mr. Ralston was the most popular man in California. His muinicence had won him friends everywhere. His career is full of instances where he has kept from failure men who were on the verge of financial ruin His mode of life was on a plan commensurate with the extent of wealth at his command. At Belmont with the extent of wealth at his command. At Belmont Valley he built for himself a house costing, it is estimated, \$1,000,000, and supported it with an annual ontlay of \$350,000. His house would accommodate 100 guests, and occasions were frequent when that number accepted his hospitality. Has stables are built on a magnificent and extensive plan. Some years ago he had some difficulty with the railroad which leads to Belmont Valley—a distance of 30 miles—and then provided housed with a light buggy and having relays of norses stationed along the road, drove every day to and from San Francisco in less time than the train could make. He was the last hean at his office at hight and the first one in the morning. He was known as a good fiver, and won many triends by his generosity and hespitality.

GOVERNMENT AIDING THE BANKS WITH OVER A MILLION TRANSFERRED TO THE BANKS BY

TILEGRAPH. WASHINGTON, Aug. 27.-Heavy transfers of gold to California are being made by the Treasury today in support of the banks of that section. Upon the receipt of an official notification at the Department that the agents of the banks have deposited gold with the Assistant Treasurer at New-York, telegraphic instructions are sent to the Assistant Treasurer at San Francisco placing credits to the respective banks making such deposits in New-York. Thus far, over \$1,000,000 bave been transferred.

RECEPTION OF THE NEWS IN THIS CITY. INTLUENCE UPON THE GOLD, COTTON, AND PRODUCE EXCHANGES - NO PANIC FEARED - SMALL AD-

VANCE OF GOLD-STATEMENTS OF LAIDLAW & CO., THE AGEN'S OF THE BANK-PROBABLE

CAUSES OF THE FAILURE.

The failure of the Bank of California was not known here until late Thursday evening, after most of the business men had gone home. The first knowledge of the suspension of the Bank, therefore, came to them by the papers yesterday mora-Even Mr. Laidlaw, agent of the Bank in this city, had no knowledge whatever of even a rumored suspension of the Bank until he took up his morning paper at the breakfast table yesterday, and read the dispatches there published.

At the opening of the Stock Exchange the whole the Bank of California. President Raiston this line of stocks fell off from one-half to two per cent, but partially recovered during the day. At no time was there any considerable excitement in the market, or anything whatever in the nature of a panie. About 2 p. m. the first news of the morning's business is that the bank will pay depositors in in San Francisco arrived, aanouncing the failure of full and stockholders 50 cents on the dollar. the National Gold Bank and Trust Company of On the other hand, a prominent stockholder states that city, and also that the Stock Exchange had out that all the Exchanges had been closed until the excitement should subside, but the street stubbernly refused to be frightened by such advices. In the Gold Room gold at once advanced 34 per cent, as the first appreciable effect of the morning's news, but all efforts to produce any further advance proved unsuccessful.

Little notice was taken of the matter at the Cotton and Produce Exchanges, and no perceptible effect upon the market at these places was noticeable. A member of the Corton Exchange remarked that the only effect the failure could have upon their trade would be that which it might first have upon the price of gold.

At the office of Laidlaw & Co., the New-York agents of the Bank of California, at No. 12 Pine-st. a reporter of THE TRIBUNE was informed by Mr. Laidlaw that the first information any one in his office had moon the subject of the suspension was contained in the merning papers. Since then, up to a late hour yesterday afternoon, they had received no additional information to that which had already been published. Mr. Laidlaw said that ail the bills drawn by them had been indersed as agents of the Bank of California, and consequently they were not individually involved. In obedience to instructions received from San Francisco, they had cashed no checks, and would not do so until further advice was received. He declined to make any further statements, however, regarding the failure, its cause, probable amount, or what course will be taken by the bank. The firm of Laidlaw & Co. will continue in business. Their office was threnged during the greater portion of the business hours of the day by anxious inquirers, among whom were several Chinamen, whom it was difficult to persuade that the only place where their paper could be cashed was at the office of the Bank in San Francisco, They semed to realize that for the present, at least, it was of no more value there than here.

Bankers and others in financial operations who are best acquainted with the past bistery of the Bank of California, did not seem to be greatly surprised at the announcement of the failure, and the suggestion was repeatedly made that it would probably result in carrying down other concerns that have berne a similar reputation for wild and speculative investments. The obligations of the Bank have been selling at a heavy discount, it was stated, some time past, and some have refused to touch its paper at any price. A prominent banker who is interested largely in California matters, stated that his firm had received information early Thursday morning from San Francisco that the failure would probably occur during the day, and yesterday morning the suspicions of their correspondent had been confirmed by another dispatch. He had received no advices, however,

about the immediate cause of the suspension. Little was known during the day regarding the sus pension of the National Gold Bank and Trust Company further than the simple announcement of the fact. The cause, it was supposed, however, had originated in much the same way as that which had compelled the suspension of the Bank of California.

FEELING IN WALL-ST.

VIEWS OF PROMINENT BANKERS AND OTHERS-MR RALETIN'S ANTECEDENTS-ORIGIN AND OPERA-TIONS OF THE BANK-THE PAILURE DEEMLD

DE EFICIAL IN THE END. Reporters of THE TRIBUNE called vesterday

upon many of the leading bankers of the city for the pur-pose of obtaining their views upon the cause of the failure in San Francisco, and its probable effect upon the business interests of this city.

THE PRESIDENT'S ANTECEDENTS. A prominent banker on Wall-st. said that the President of the suspended bank, William C. Ralston, began business in 1850 in the City of Panama as the agent for Garrison's steamship line. In 1852 he established a banking house in San Francisco under the firm name of Garrison Fritz & Ralston. Subsequently, on the death of Mr. Fritz, the firm was dissolved, and Mr. Ralston became a member of the banking-house of Donahue, Kelly & Co. In 1865 Mr. Raiston organized the Bank of California, with a capital of \$2,000,000, which was afterward increased to \$5,000,000. Mr. Rausston, he said, was an enterprising and energetic man, the leader in all the large enterprises on the Pacific coast. The failure of the bank was precipitated by several different causes operating together at this particular inneture to bring about disaster. The bank, it was genwhich had no available market value. There had long been a bitter contest for supremacy between the California Bank and the Nevada Bank, in which Flood and There was no doubt that the Nevada Bank had found the California Bank in a tight place, and had used their advantage to lock up gold. It was reported that they had "squeezed" them on stocks, and by calling in loan had created a pressure which resulted in a run on the

Catifornia Bank. This failure, he continued, will have no appreciable effect here. The stockholders, under the laws of Califorthat the depositors were fully protected. "The permanent effect," he said, "will be beneficial to the business of the country. There is plenty of money but no confidence. The sooner we can get to the bottom the better. The sooner we know who are conducting business on sound principles and then push out of the way the unrestored, and the financial interests of the country be

INVESTMENTS OF THE PANK.

The senier partner of a large banking-house in the vicinity of Wail-st., in reply to inquiries as to the circumstances connected with the suspension of this bank, said:
"The President is a good liver and a clever, jovial fellow. "The President is a good liver and a clever, jovial fellow. He has been very useful to the State of California in building up new enterprises and developing its resources. But his failure was only a matter of time. His plan of conducting business was not saund. With deposits of \$8,000,000 to \$10,000,000, he kept on hand as an available fund only about \$2,000,000, gold, to meet daily demonded. When the emergency came of course he was defenseless, and the bans was obliged to suspend. He was interested in every direction. The money of the lamb was loaned to carry through operations which have turned out badly, but which at first promised to be recessful, and may in the distant future prove to be formate investments for those who can hold their own until the fide turns. Mr. Rulston furnished much of the capital for the erection of the new Palace Hotel in San Francisco, the cost of which, it is reported will reach \$1,000,000. He was the principal man in the work of the "Montgomery Firest Extension," cutting through the treet at an enermous expense. Financially, it is a fail replace has a continually prove to be profitable. Then Mr. Ralston's mining speculations have turned out badly. He was an extensive ow ere of mining shares, and the bank made advances on stocks to a very large amount. These mines have not done well, while his commentaries, Flood and O'Drien, struck the "big bonanca" in the Virginia Mine. Mr. Ralston by this lest influence in the mining districts, which also helped to canbarrass him. It was a bad failure, he such, involving \$15,000,000, one-third of which is capital sure and the best influence in the mining districts, which also helped to canbarrass him. It was a bad failure, he such involving \$15,000,000, one-third of which is capital sure and the best influence in the mining districts, which also helped to canbarrass him. It was a bad failure, he such, involving \$15,000,000, one-third of which is capital sure and the beauty and had been put upon the market to a very large amount help, and had be He has been very useful to the state of California in

Another well known banker stated that the bank had been trying for some time past to reli their plain bills but could not get buyers. The bills of good institutions, indersed by the California Bank, and probably leaned to them on good colinterals, had been taken readily, but many circumstances not known to the general public had induced bankers to be continous. Banking busines a, he said, is not carried on in San Francisco as in Europe and in this city. The wildest kind of banking is allowed in san Francisco. Speculation is induled in to an extent not known in conservative financial circles. Fortunes are treapently made and lost in a month, and the prices of stocks are run no sometimes 200 per cent in a day on the difficient rumors, well circulated and plansibly written fanks there are not as careful in their investments as those here, and an new country like California it was admissible to bean money of financial institutions on seer rities based on some work or enterprise undertaken to develop the natural advantages of the State, or to increase its prosperity. But in time the principles of sound banking would be applied rigorously in every part of the United States.

ALL ENTERPRISES GRASPED BY THE RING. them on good collaterals, had been taken readily, but

stated yesterday that during his stay in San Francisco he ascertained that the Eank of Calliorma was controlled by a ring who endeavored to grasp everything within their reach in the way of new enterprises. He believed that the fadure of the Eank and the destruction of the ring; though it would first have serious results, would ultimately benefit California. The gentlemen who controlled the Hank were men who owned grage distilleries, had \$750,080 in a carriage factory, owned two-thrus of the San-Francisco Tracker, and finally had built and furnished the Palace Hotel at an expense of from five to six millets. Nothing of happortance could be started there but the Eank Eng would either endeavor to rule or ruin it. Mr. Raiston's magnificent pariors on Commercial-st, were like those of Tweed at Albany during the commercial-st, were like those of Tweed at Albany during the commercial-st, were iston's magnificent pariors on Commercial-st. We those of Tweed at Albany during the golden days like those of Tweed at Albany during the golden days of the Tanmany Ring. The San Francisco judges were friends and comrades of the clique that assembled at the Commercial-st, pariors, and every enterprise was there discussed, weighed, supported or made war upon. Since May last people had lost confidence in the boak, and a great many deposits had thu been whitdrawn, but he did not believe that the present depositors would get back much of their money. He considered it a bad failure, owing to the numerous enterprises in which the leading officers of the bank were interested.

CAUSE OF THE FAILURE. A prominent banker and broker, in reviewing the causes of the failure, said that it was the result of long years of not very good banking. Money had been heavily invested in mining stocks, some good, many bogus, and pose of to meet the call of Aepositors. It was answer in financial circles also that there had been anach wild spec-ulation in San Francisco, and this panic had not been un-expected. Besides, when the ran came, there was no chance to help them. New-York was 3,000 miles away, and seven days by railroad. Depositors whose chalma-were all represented by gold, not greenbacks, became anchor about the safety of their money and could not be quieted.

EASTERN CITIES NOT AFFECTED.

I cashier of one of the strengest moneyed institutions is this city, in a brief conversation yesterday with a reporter affect the money market here. In the panic in 1873 when we were having failures every day, the San Francisco folks laughed at us, and thought their syst no better than ours. I suppose we can laugh at them now. San Francisco has long been the center of a great financial ring, which was opposed to the principle of 'live and let live.' Every enterprising man who went to San Francisco during the past few years has been confronted by the power of this combination, which was a formidable obstacle to his success. The California bana let many streams of industry, and its mency made plows, built theaters, and put up an immense model. Mr. Kalston was ifentiated with every interest on the Pacific coast. It was not possible for all his operations to be successful. Two or there out of every five, probably, came out all right, but the bad investments finally swamped him. If this powerful ring is broken by this failure, it will be one of the very best things for California, and cive an opportunity for fresh capital and new men to organize business on a sounder basis. The Chinamen," he said, "it is reported, will lose heavily by the suspension. Several of them to-day were at the office of the agents impuring about their organized in San Francisco with a capital of \$25,000,000, will no doubt be abundedned."

rganized in San Francisco with a capital of \$25,000,000, will no doubt be arandened."

At Vermilye & Co.'s it was stated that in the absence of the principals of the firm, who are at present out of he city, an opinion could not be expressed. The representative of the firm, however, stated, as his opinion, mat this city would not be affected to any extent by the allfornia failures, and that the street had not, as yet, cit any indication of impending financial trouble.

THE PALACE HOTEL IN SAN FRANCISCO. HE PROJECT NOT AFFECTED BY THE FAILURE-EX-TRAOGRINARY DIMENSIONS-FOUR HUNDREDBAY-

WINDOWS - INGENIOUS CONTRIVANCES - LIGHT WOOD FURNITURE-THE COST FROM A STAFF CORRESPONDENT OF THE TRIBUNE.

SAN FRANCISCO, Aug. 14.-The rich men of the Pacific Coast, the Ealstons, the Sharons, the Hay-wards, the Mackeys, the Mills and the Floods, have subne confidence in the future greatness of San Francisco I have from time to time heard most of these gentlemen alk on the subject, and they evidently think that the city will eventua y rank with New-York and London, The en thusiasm is by no means confined to the rich people, but extends to all classes. I refer to the wealthier classes most striking evidence of this which not occurs to me is the erection here by Messrs. Sharon and Ralston of the largest hotel in the world. Its dimensions are extraordinary, and its remarkable character, not less

See Seventh Page.

THE WORK OF CANAL REFORM ARREST OF ASSEMBLYMAN GEORGE D. LORD

FOR BRIBERY. SEQUEL TO THE FRAUDULENT JOHN J. HAND CLAIM.

MR. LORD ARRESTED IN ROCHESTER-THE HEARING IN ALBANY-MR. LORD LEAVES THE COURT-ROOM PARLY AND MAKES MERRY AT THE DELA-VAN HOUSE.

IST TELEGRAPH TO THE TRIBUNE ALBANY, N. Y., Aug. 27 .- George D. Lord was arrested at his home in Rochester on Thursday, by Under-Sheriff Keenan of Albany. He was brought here by the officer last night. The complaint of Messrs. Orr and Magone, which is based on information gathered by the Canal Investigation Commission sets forth that Mr. Lord, while a member of the Assembly, committed the crime of stipulating and receiving for his vote upon bill entitled "An act for the relief of John Hand," a large sum of money, which is subsequently stated to be over \$15,000. The John Hand award, upon which this charge is founded, is already familiar to the readers of THE TRIBUNE, John Hood, a contractor, claimed, upon the suggestion of Lord, to bave found his prices insufficient to pay him for the work of dredging Black Rock Harbor, Beffalo, and he put in a claim for relief before the Legislature, guaranteeing a large share to Lord in case was allowed. It is enough to know that the Lords, father and son, held hats in the two Houses, and ruled the inland Tammany. The claim was allowed. The money was paid, and the younger lord got his share. The complaint was based upon important testimony given before the Investivation Commission recently, and as the ramifications of the Inland Tammany areas wide and varied as were those

of its New-York counterpart, it becomes a question of great interest to know who else is likely to be affected by the impending disclosures. Among those in the court-room to-day were Charles Stebbins, Private Secretary to the Governor; Edgar K. Upkar, Deputy Treasurer; Assemblyman Vosburg, Deputy Attorney-General Fairchild, and Messrs, Orr, Magone, and Van Buren of the Investigating Commission. F. W. Cogswell appeared for Geo. D. Lord.

all in, accompanied by his triends. To-night he was observed making merry at the Dellavan House in company with Thinddeus C. Davis. The papers for indictment, and the trial will be held in that

THE COMPLAINT AND HEARING. MR. LORD BEFORE JUSTICE OSBORN-HELD TO BAIL

AND JOHN J. HAND ON THE WITNESS STAND-MR. LORD PAID \$40,000 FOR SECURING A CLAIM or \$60,000.

ALBANY, Aug. 27.-The Hon. George D. Lord, ex-member of Ametally, was brought before Justice A. M. Osborn at special term of the Supreme Court to-day, under arrest for bribery upon the following

warrant:
Albang Courle, a.—The people of the State of New Fork to the State of New Fork to the Whereas, Companint has tais day been made by Alexander E. Orr and Daniel Magone, jr., on eath, before Hos. A. M. Osborn, Justice of the Supreme Court, that they have just cause to suspect, and do suspect and beineve, that George D. Lord of Koraester, in this State, did, on or about the 9th day of February, 1871, within this State, commit the crime of agreeing and consenting to receive a large amount of money, other than his legal salary, fees, and perquisites, for performing an one cal act, to wit, the favoring and voting in the Assembly of this State, the said Lord then being a member thereof and an officer of this voting in the Assembly of this state, the said Lord then being a member thereof and an officer of this State, for a certain act, entitled "An act for the relief of John Hand," passed April 19, 1871, and that said act of voting for and favoring said bill or act was, in fact, performed by the said Lord on or about the 19th of April, 1871, with the express understanding on his pari, and under the influence of said agreement and consent; and that the said Lord did subsequently, in 1874, in consummation of said agreement receive a large sum of mency; and the said Justice having examined on oath the said complainants, and it appearing therefrom that there is just cause to outper that the said Lord has committed the said of lense;

We, therefore, command you to take the said.

canal frauds. It is claimed that Mr. Lord, while a member of the Legislature in 1871, procured by improper means the passage of an act under which the State has since been defranded of \$60,000. It is further claimed that of this sum Mr. Lord has received \$10,000, the corrupt agreement which he entered ir to giving hun two-thirds of all the money made under the act in question. Deputy Attorney General Pairchild appeared for the people, and Mr. W. F. Cogswell of Rochester for Mr. Lord.

Mr. Cogswell said that the prisoner would waive examination, and desired to give bail. Mr. Faircaild replied that the prisoner had an undoubted right to give bail, but that the People desired to go on with the examination, in order to get the testimony of the prosecuting witnesses in writing for transmission to the District-Attorney of the county in which the case was to be tried. Judge Osbern inquired of Mr. Fairchild the amount at which he thought the bail ought to be fixed. Mr. Fairchild replied that, considering the importance of the case, and the readiness with which the prisoner could procure bail, it hould be fixed at \$20,000.

Mr. Cogswell insisted that the sum was excessive. The Court replied that the punishment for the crime for which the prisoner was held was imprisonment for five years or a fine of \$5,900, or both. He would fix the bail at \$15,000.

James E. Walker and Daniel Rose then presented themselves and were accepted as bail.

It was then decided to take the testimony of the witnesses in support of the complaint, to be handed to the District-Attorney for his use when the case came up. The testimony of Lewis J. Bennett, Alexander E. Orr, and John J. Hand was then

THE TESTIMONY.

THE CONTRACT WITH MR. LORD. Mewis J. Bennett was examined by Mr. Magone. The witness has resided in Buffalo from 1868 to the present ime. Q. Did you prior to 1871 have a copartner by the same of John Hand! A. Yes, Sir. Q. Is he in court 1 A. Yes, Sir.

Q. State whether or not John Hand had obtained three several contracts from the State of New-York for diedging in the Eric Basin at Buffalo, the Ohio Basin at Buffalo, and the Biack Rock Harbor at Buffalo A.

Yes, Sir. Q. Were you a party to these contrast as between you and trand! A. Yes, Sir. and hand f. A. Yes, Sir.

Q. State what occurred, if anything, between you and George D. Lord in the Winter of 1871 in relation to these contracts. A. We were at Baffalo, and he proposed to me to cet a ball for the realer of John Hand, passed.

Q. Had you ever applied to Mr. Lord to act in your behalf, or in behalf of John Hand, prior to that time! A. Na bir.

No. 51r.
Q. State what was the portion of the money that you
the notation for the renef of Hand that he claimed to ex-

Q. State what was the portion that he claimed to exact for his services. A. Two-thirds.
Q. Dad you agree to it! A. We did.
Q. Under that arrangement did he present to you any papers to be signed! A. He did.
Q. Who did it paper to be with! A. George D. Lord and John Kiley.
Q. Did you procure the signature of John Hand to the papers! A. Yes, sir.
Q. Da you return it to George D. Lord! A. Yes, Sir.
Q. Han you ever negotiated with John Kiley in that behalf! A. No, Sir.
Q. State as near as you can the date of that agreement!

No. Sir.

Q. State as near as you can the date of that agreement?
A. In February, 1871.
Q. Was Mr. George D. Lord at that time a member of the Legislature of the State of New-York?
A. I so understood it, at that time.
Q. State whether this is a copy of that agreement.
[Papers produced and handed to witness]. A. Yes, Sir.

Q. Is that your signature! A. Yes, Sir.
Q. Did you see John Hand sign the original! [A. I saw him sign it.

ONE BILL FOR THE RELIEF OF HAND. Q. State whether the bill known as Chapter 585, Laws of 1871, was subsequently passed-the bill for the relief

of John Hand! A. It was. Q. Did you, at the instance and request of George D. Q. Did you, at the instance and request of George D.
Lord, prepare papers and procure witnesses to appear
before the Canal Commissioners to make a claim against
the State for the relief of John Hand I A. Yes, Sir.
Q. State whether they finally awarded in favor of John
Hand S29,066 14. A. Yes, Sir: that is, as I recollect it.
Q. State whether or not you became a partner in 1873,
and what interest George D. Lord had in these contracts i
A. Yes, Sir.
Q. And did all of the claimants agree to the carrying
out of it! A. Yes, Sir.
Q. Did you ever receive any portion of that award!
A. No, Sir.
Q. Did you ever receive any portion of that award!
A. No, Sir.
Q. You brought an action to restrain parties from collecting any more than one-third! A. Yes, Sir.
Q. Subsequently, did you enter into negotiations with
Thaddens C. Davis, authorizing you to get your third of
it! A. Yes, Sir.
Q. Was that money procured! A. Yes, Sir.
Q. Did you ever receive any other sum from any of the
parties, from the Fank of Monroe, or from any other
source whatever, on account of that particular money!
A. No, Sir.
Q. Did John Hand ever receive any portion of the

Did John Hand ever receive any portion of the

\$3,000 f A. No, Sir.
Q. Your attention is now called to the manner in which these accounts were made up. Did you make them up f

A. Yes, Sir.
Q. Did you present it to Geo. D. Lord I A. Yes, Sir.
Q. What suggestion did be make, if any, about raisin
It I A. He said it was too smail, and wanted it increases HOW BILLS WERE INCREASED. Q. Did you increase it as bitrarily, and without any ref-

ce to the facts of the case ! A. I did. Q. And you so presented and verified it 1 A. Yes, Sir. What system were you to adopt, or what were your instructions, in reference to carrying out Lord's sugge

general.

Q. State whether you subsequently, in the Fall of 1871, were approached again by Lend in relation to the contracts and tre awards under them 1 A. I was.

Q. Did you show Lord the raised account 1 A. I do not now remember.

Q. Now come down to the transaction of 1874. He first approached you in 1874 in relation to making up a new account on the contracts, that were concerned in the passage of this act in 1871 A. Geo. D. Lord was the first person to approach me.

bassage of this act in 12 A. Co. B. Co. B. Co. B. Co. B. Co. Co. B. Co.

on the subject t A. Yes, Sir.

Q. State whether Bowman had an interview with you on the subject t A. Yes, Sir.

Q. Did you present the account to the Canal Commissioners under that claim t A. Yes, Sir.

Q. Who arranged that meeting with the Canal Commissioners, and at whose other was it held t A. It was in the office of Triaddeus C. Davis.

Q. Who appeared at that meeting on behalf of Lord t A. Mr. W. H. Bowman.

A. Mr. W. H. Bowman.
Q. State whether or not you presented the bill for that laim it A. I did not present it at that time.
Q. Who did you present it to first F. A. To Bowman.
Q. Was it returned to you it A. Yes, Sir.
Q. In what did he claim it was wrong? A. It was not

O. Del you make a new and increased bill ! A. I did. Q. To whom did you present that ! A. To Thaddous C.

Davis.

Q. Did he direct in your presence this affidavit to be made fail davit produced] to that increased bill verifying if A. Yes, Sir.

Q. State whether this affidavit that was made before E.

A. Griswold, if Thaddens C. Davis directed it I. A. Yes,

Sir.

Q. Were the statements contained in that award false and actitions as to time! Yes, Sir.

Q. Is this statement of 9,146 days that is charged for labor, superintendence, &c.—is that true or false!

A. False. Q. Was it so made at the instance of these parties you have named! A. Yes, Str. Q. Was the whole bill false! A. There was some of it correct. Q. Did you ever employ Davis in the matter ! A. No, Sir.

Q. State whether after that award was made you ob tained, in the presence of Bowman, from Canal Con award, \$36,055, in certificates! A. Yes, Sir.

Q. Was Mr. Bowman present 1 A. Yes, Sir.

Q. What disposition did you make of the certificates that you obtained I. A. I held them.
Q. Safe whether you gave to Thinddeus C. Davis, on ac count of the services he rendered at that time, any of the certificates. A. Yes, Sir.
Q. For now much I. A. For \$2,000.
Q. How much did Bowman receive, as you understood it I. A. One thousand dollars.
Q. State whether or not, during the progress of this work, you obtained false estimates from the inspector in charge I. A. Yes, Sir.
Q. Did you know they were swollen in addition to what they ought to be I. A. Yes, Sir.
Q. Did you pay him large sams of money while you were prosecuting this work I. A. Yes, Sir.
Mr. Magone—II your Honor please, the witness claims that he paid large sams of money to other persons; but, unless your Honor destres it, we do not now desire to go into that branch of the case.
Q. What did Lord say as to putting the name of Kiley in the paper I. A. I do not remember.
Q. You knew that Kiley was one of his employés I. A. Yes, Sir.
Q. Did you know who was in the habit of doing business in this way I. A. Yes, Sir.

Yes, Sir.

Q. Did you know who was in the habit of doing business in this way! A. Yes, Sir.

Q. State how you understood the relief was to be got when Lord first spoke to you on the subject! A. From. the Legislature.
Q. Is your book fairly and honestly kept, except so far as you have made crassures I. A. Yes, Su.
Q. Did you falsify your books by raising the figures t

books were otherwise correct as to the labor ! Q. The books were otherwise correct as A. Yes, Sir.

By Mr. Hand—Previous to the application of Mr. Lord had you done work for him! A. Yes, Sir.

Q. At what time had the contract been paid up in fall at the price suithorized in the bill! A. I do not know at the work was closed.

Lial the work was closed.

Q. Did you know at that time that there was any defi-ciency between the contract price and the expense of doing the work I. A. I did not know for a certainty. TESTIMONY OF MR. ORRS.

Alexander E. Ores of the Canal Commission testified, being examined by Mr. Magone:
Q. You are a merchant, and familiar with accounts?

Q. Have you examined the accounts in the contracts

Q. Have you examined the accounts in the contracts examined the accounts in reference to the dredging of the Ohio Basin.
Q. Carefolly I. A. Yes, Sir.
Q. What is the amount charged in the account prescrited to the Canal Commissioners I. A. Four thousand five bundred and sixty-live days labor were charged for on the first award, but on examination I find that there were only 2,205 days, four and three-quarter bours accounted for. I am going on to make a further examination.

INTERESTING TESTIMONY OF JOHN HAND. John Hand being sworn testified as follows: By Mr. Magone-Q. Are you the John Hand mentioned in the Several contracts for work on the Eric Basin, the Ohio Basin, and the Black Rock Harbor in 1869! A. Yes, Sir. Q. You knew of this bill for the relief of John Handt A. Yes, Sir.

A. Yes, Sir.
Q. Did you ever receive a cent of money under it?
A. No. Sir.
Q. Had you any reason to believe that you did not have fair and remunerative prices? Had the money receives from the State been retained by you? A. I think the Ohio Essin work was too low.

Ohio Lawrence received believe that you were doing. the work at too loss pro-figuring. Q. Did you pay expenses as you understood it then?

figuring.
Q. Did you pay expenses as you understood it then to A. Insing them altogether to Q. Yes. A. I could not say as to that.
Q. You were not the accountant! A. No. Str.
Q. Did you know the amount of money that was received and paid out! A. No. Str.
Q. Your information was from Beanett! A. Yes. Str.
Q. State what money you put in and what you took out! A. I took between \$10,000 and \$12,000 with me to Buffalo, and when I came back I had between \$22,000

Buffalo, and when I came back I had between \$ and \$23,000.
Q. And paid all your expenses I A. Yes, Sir. Q. You never received any award I A. No, Sir. Q. When you signed these papers in blank, at request did you sign them I A. Mr. Bennett's, Q. Any other person I A. Mr. Geo. D. Lord. Q. 1-id he present the papers for your signature Yes, Sir.
Q. Did you have.

Yes, Sir.

Q. Did you have a conversation with Geo. D. Lord in regard to the second papers you were to sign! A. He said he wanted me to sign the papers he had. I signed them on the face.

Q. The first ones you signed both on the face and the

back! A. Yes, Sir.

Q. Describe how you signed them on the back! A. I signed on the face at first, and Mr. Lord turned them over and pointing to the back, asked me to sign there. Mr. Bennett did not mean to have him sign them on the

A TENNESSEE PLANTER ASSASSINATED IN OPEN DAYLIGHT. MEMPHIS, Aug. 27.-James R. McNeil, a

well-known planter living 18 miles below this city, on the Arkanses side, was assassinated this morning. He had just left a field where his hands were at work and rode out into the road, when they heard a shot fired and saw his horse tiderless running up the road following a man on horseback. They found Mr. McNeillying dead, a whole charge of buckshot having entered his breast. There is no clew to the assuador.

LOUISVILLE, Ky., Aug. 27.-Mrs. J. P. Couse of Nashville committed suicide this evening after her Lind at tange.

PRICE FOUR CENTS.

LETTER FROM THE REV. DR. OSGOOD. CONTRASTS AND A FINITIES OF GOETHE'S TIMES AND CAREER WITH NATIONAL LIFE IN AMERICA-ELEMENTS OF GENIUS AND TRAITS OF CHAR-ACTER THAT ARE NEEDED NOW AND HERE. the Editor of The Tribune.

SIR: The announcement, some weeks ago, that a

bronze statue of Goethe was to arrive here this week

from Germany, and to be received with popular

festivities and literary honors to morrow evening, before being placed in our Central Park, brought the great German poet nearer than ever to our American feeling, and allows me to speak of what he is worth to our pe ple. Humboldt and Schiller are here before him to represent Germany in our Park, and they probably have gone before him in the date of their fame, and in the spread of their works; yet Goethe has acted more deeply upon thought and done more to shape the conduct of life with the guides of public opinion in America, as in Europe, and every year since his death has seen his influence rising. In 1832, when he died, at the great age of eighty-three, comparatively little was known of him in America, and the America of literature was little known to him. In his youth, indeed, when the enthusiasm of liberty was upon him, be had kindled at the story of the Boston Tea Party, and wished well to the Colonists in their struggle with royal despotism. In his calmer and more conservative days he had met accomplished American scholars, like George Bancroft, and undoubtedly knew that the countrymen of Jefferson and Franklin, of Irving and Cooper, were to have a future in letters, as in arts and arms and wealth. Yet he probably knew nothing of our most characteristic living literature, whether our ethics, our history, our poetry, or our romance. Our present intellectual leaders were almost unknown to Germany in 1832. Channing had but lately risen from theological polemics to the calm hights of Christian morals in his essays upon Milton and Napoleon; shortly before, Dana's "Buccaneer" bad ventured into print, and won notice from Wilson in Biackwood's Magazine as "the most powerful and original of American poetical compositions," yet not till 1833 did a full edition of his works appear. Some of Bryant's poems had appeared in 1821, but his name was little known abroad until the edition of 1832 was brought out in England with Washington Irving's favor; Emerson was a thoughtful parish minister in Beston unknown to fame; Longfellow had not published any of his memorable poems; Whittier was known as an able editor, with a turn for the muses when not too busy with politics; Holmes was a medical student traveling in Europe, full of fun, but more bent upon physic than poetry;

and master historian of the Netherland Calvinists. So there was not much of our present American literature for Goethe to know in his time, and there had not been much opportunity for our people, even for our scholarly class, to know him. George Tickror and Charles Follen had done something to open the treasures of the German language to Boston and Harvard College, but there were few lovers of German literature until the ideal and transcendental school began to supplant the old classical school and Emerson and his set won more followers than Everett and the old Humanists of his Ciceronian cut. It was not till 1832 that the high priestess of transcendentalism, Margaret Fuller, began to study German. Carlyle had translated Goethe's "Wiihelm Meister," and written upon German literature, but he had not yet made his name and thought conspicuous in America by "Sartor Resartus" Goethe's "Sorrows of Werther" had teen long ago familiar as a dangerous novel, and our venerable mothers and grandmothers remember what Mrs. Grant of Laggan wrote about its bad influence, and how she praised Albert, the steady linsband, above Werther the crazy lover. No translator had done for Goethe what Coleridge did for Schiller's " Wallenstein," and not until quite recently have American readers been able to enjoy "Faust" in adequate

ears'ations, such as our Charles T. Brooks and

I. All the while, however, since Goethe's death

Bayard Taylor have given.

r some vears l

Hawthorne had ventured only by stealth into

romance; Lowell was just in his teens; Bancroft

and Prescott had not yet ventured before the world

in history, and Motley was just out of college, an

elegant amateur of letters, and the last man to be

thought of as a plodding student of Dutch chronicles

dents of his works and disciples of his thought among us. One of the most influential theologians and thinkers of our country ascribed his choice of his profession nearly fifty years ago to the influence of Goethe's thinking, such thinking as appears in the second part of "Faust," and in Meister's Travel;" and a considerable class of students have been in the habit of regarding him as the leader of modern culture, the pattern scholar of our age. Our people at large have not apparently had any such idea of him, and the wild romance of "Werther" and the weird drama of "Faust" have made him anything to them rather than the practical sage and the prophet of reconciliation. One of the first efforts to do justice to his power was made by the brilliant mind of Starr King in a popular way some tairty years ago, and even his fascinating and humorons lecture left upon many hearers the impression that the master poet of Germany was more memorable for the number and extravagance of his loves than for the wisdom of his oracles. That a book of 360 pages with the title "Goethe als Erzieher" should set the poet before Germany as an educator in maxims from his own works, and be offered as a " Manual for the House and Family," as was done by Philipp Merz as editor and F. A. Brockhaus as publisher, in 1861-this fact is not in keeping with the popular notion of his erratic life and fancy. This volume, although not prepared with all the judgment and skill that could be desired, is a treasure to any man who will study it, and its selections are valuable not only in correcting the so general impression of Goethe's extravagance, but also in removing the idea com non among more careful students of his works, that he lived in a region of supersublimated ideality, and had little sympathy for common people and the common lot. He certainly was a very kindly man, and this master of art and nature was as fond of little children as any good grandfather in the land. Soft and sweet, and sometimes foolish as he was, in his loves, he was better than much of the society around him; and sometimes his sentiment is taken too prosaically, and made the sin of a profligate bent on sensual indulgence, when it was only the fancy of a visionary to whom love was a devotion, the womanly soul was divinity, and the sweethearts of early days became the saints of his lifetime. They seemed to live on not merely in songs that celebrated their charms, but in melodies that thrilled with their power, and found new words to set to their music as new fancies played upon their treasured forms and faces. Mr. Calvert has done something to set Goethe's character right as a lover, and that charming little romance of Emma Lazarus, "Alides," makes the poet forever a debtor to the womanly soul in America.

The Americans may be more ready to give Goethe a hearty welcome to our land now when we remem ber that his literary cycle runs parallel with the contury of our own national life. In 1774 he published Werther," the fiery love story that has had so much to do with the romance of sentiment since; and in 1775 his "Faust" was so far thought out and written as to allow Jacobi in that year to pronounce his opinion upon its great merits. For a hundred years, therefore, he has been a power in literature, and his fame and our nation have a common life, and may keep their centennial together, with Bryant and Bayard Taylor to say the word and sing the song of the jubilee. The two parties differ indeed very much from each other, and Goethe's gentus does not answer in all respects to the brain and